



INSURANCE FRAUD INVESTIGATION DIVISION
Kentucky Department of Insurance
909 Leawood Drive, P. O. Box 4050, Frankfort, KY 40604-4050
Phone 502-564-1461 – FAX 502-564-1464
Fraud Statistics/Convictions Activity
December 2011

Fraud Statistics

	<u>Month/Dec</u>	<u>YTD</u>
Total Referrals Received.....	103	1070
Closed Referrals.....	7	625
Open Cases (Investigations-includes prior years)		234
Assigned Cases (Investigations).....	6	134
Closed Cases (Investigations).....	4	91
Closed Cases (Investigations) Exceptionally Cleared – Declined by Prosecutor.....	0	27
Charges (3 felony).....	3	84
Convictions (1 felony, 1 misdemeanor).....	2	34
Restitution Ordered..... \$	0	26,328.05
Restitution Agreed.....\$	0	57,423.33
Restitution Total.....\$	0	83,751.38
Investigation Expenses to Division		
Awarded..... \$	1000.00	11,402.44
Collected..... \$	64.12	10,076.43
Administrative subpoenas issued.....	0	0
Non-licensed individuals.....	0	0
Licensed (active/inactive individuals)....	0	0
Subpoenas Received.....	3	5

Convictions Activity

Tony Coleman – On June 8, 2010, Coleman, of Pike County, made a false material statement to Kim Hauber of Sedgwick Claims Management Services. Coleman claimed that he fell on an unknown substance in the Kmart in Coal Run Village when he, in fact, placed the substance in the floor in an effort to defraud the store. Coleman was arrested for one count of fraudulent insurance acts over \$500. He entered a guilty plea to the amended charge of fraudulent insurance acts under \$500 and was sentenced to 12 months in jail, two months to be served in the Pike County or Floyd County jail, and the remainder to be probated for 24 months. He also was ordered to pay a fine of \$1,000, which was suspended.

Kimberly S. Baker – Baker was employed as the bookkeeper for Portrait Roofing in Fayette County from Nov. 1, 2007, through April 1, 2008. During an audit conducted by Kentucky Employers' Mutual Insurance (KEMI), she presented altered books in an attempt to conceal over \$200,000 in premiums that should have been paid to KEMI. Baker was charged with one felony count of theft by deception over \$10,000 and one felony count of fraudulent insurance acts over \$300. She entered a guilty plea to the charge of fraudulent insurance acts over \$500 and the Commonwealth recommended a sentence of one year, disposition of the theft by deception charge, and restitution. She was sentenced to one year, which was suspended, and was placed on unsupervised probation for a period of two years. She also was fined \$1,000, to be paid to the Kentucky Department of Insurance Fraud Investigation Division.